

HON. MARCY KAPTUR
Â OF OHIO
IN THE HOUSE OF REPRESENTATIVES
WEDNESDAY, JULYÂ 17, 2006

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. *Kaptur*) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, there are plenty of signs that the United States economy is not working well. One of the signs is our national debt. The latest figures show we are somewhere over \$8 trillion in the hole, and every day the hole gets deeper. You would think someone here in Washington would pay attention.

Back in the year of 2000, as a result of major decisions made during the 1990s by the Congress, by then President Clinton, we were able to balance the annual budget and were actually paying down this enormous debt, the accumulated debt of the country.

So things do not look too good there, and the United States has to cover those borrowings by borrowing from foreign interests. We know nearly half of U.S. debt securities are now purchased by foreign interests, and the United States is in hock, having to pay every year hundreds of billions of dollars in interest, interest to those foreign holders of our debt, interest we could be spending here at home; dollars we could be spending here inside the borders of the United States, rather than to those who are loaning us the money.

Another sign of our predicament is this, that is, the monthly and annual trade deficits of our country, where more imports are coming into our Nation, more and more and more every month, every day, every year, than we export out.

It is not that we are not exporting things. We are. But we are importing vastly more than we are exporting. In fact, the latest figures, compiled by the U.S. Census Bureau, indicate that in the month of May, the last month for which we have final figures, our goods and services deficit went up another \$63.8 billion in 1 month. In 1 month.

That means, if you look at these monthly figures of our trade deficit, more imports coming in here than exports going out, in January of this year, they surpassed the debt, the trade debt from last year, in February, in March, in April, and then in May. May was worse than April. Without question, this year will go down as one in which the United States will have amassed the largest trade deficit in history.

We are literally in uncharted waters, because when these goods are purchased in our country, those dollars that are then forked over for those goods go somewhere else. Go somewhere else. And then those countries, take China, for example, or Korea, any of the nations with whom, or Japan with whom we have huge trade deficits, have those dollars to spend. We do not have them to spend. They do.

So they are literally taking our earned assets, and they are trading them internationally. In fact, the State of Indiana just did something incredible. They made a decision to lease out the Indiana Turnpike to foreign interests. This is unbelievable.

This is unbelievable. So the poor State of Indiana, the taxpayers of that State that had paid off the bonds on the turnpike over 30 years ago are now in hock to Spanish and Australian investors for the next 99 years. Unbelievable.

It is like a fire sale. Chicago Skyway did the same thing. Leasing out a public asset to foreign interests. And then we not only owe them the annual interest payments; but our children and our grandchildren, you can just see the pieces of America being taken away because we are not paying our own way.

There was an article in a London paper, the Telegraph, the headline of which is, "U.S. could be going bankrupt." And it is really talking about at what point do you officially declare bankruptcy. And it says, the United States is heading for bankruptcy, and research by Professor Laurence Kotlikoff for the Federal Reserve Bank of St. Louis said the United States is indeed bankrupt insofar as it will be unable to pay its creditors, who in this context are current and future generations to whom it has explicitly or implicitly promised future net payments of various kinds.

Certainly pension benefits, certainly health care benefits, all of those endangered because the Nation is in hock. We owe others. What is interesting about that Indiana turnpike deal is that the tolls have been doubled now. So the foreign interests to which the Indiana turnpike was leased out have now doubled the costs on the U.S. consumer. We do not have control of our own future until we get the trade accounts and our budget accounts in order.

Certainly the President ought to submit a balanced budget. Certainly this Congress ought to pass one. That has not happened during the Bush administration.